

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
ON APPEAL BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES**

In re Patent Application of:
William J. Veeneman et al.

Appellant: Gift Certificate Center, Inc.

Application No.: 09/610,158

Confirmation No.: 3096

Filed: June 30, 2000

Art Unit: 3628

For: MULTI-MERCHANT GIFT REGISTRY

Examiner: T.A. Dixon

MAIL STOP APPEAL BRIEF – PATENTS
COMMISSIONER FOR PATENTS
P.O. BOX 1450
ALEXANDRIA, VA 22313-1450

Dear Sir:

APPELLANT'S APPEAL BRIEF

Appellant's Appeal Brief was timely filed pursuant to 37 CFR §1.192 because it was filed within two months of 09 January 2009, which is the date on which Appellant filed the Notice of Appeal.

Appellant believes that the claims appealed are patentable as argued in the Appeal Brief. If the Examiner has any questions concerning the Appeal Brief or the Arguments presented in the Appeal Brief and feels that an interview pursuant to MPEP Sections 713.05 and 713.09 may be helpful in resolving the issues on appeal, attorneys for the Appellant would urge the Examiner to contact the attorneys for Appellant to arrange such an interview, even if the refiling of this application is necessary for this purpose.

Appellant's attorneys respectfully solicit the Board to remand this case to the Examiner with instructions to allow the case pursuant to 37 CFR §1.197(a).

I hereby certify that this paper (along with any paper referred to as being attached or enclosed) is being transmitted via the Office electronic filing system in accordance with § 1.6(a)(4).

Dated: March 5, 2009 Signature: /James M. Graziano/ (James M. Graziano)

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List of References:

Publication: Chain Store Age

US Patent No. 5,113,496 issued to McCalley et al.

Publication: "Looking On The Bright Side" by Parent, hereinafter "the Parent Publication"

Publication: "Electronic Shopping Makes The Retail Connection" by Brumback et al., hereinafter "the Brumback Publication"

OUTLINE OF APPEAL BRIEF

1.) REAL PARTY IN INTEREST

The Appellant named in the caption of the Appeal Brief is Gift Certificate Center, Inc.

A full list of inventors is: William J. Veeneman, Barbara Thomas, and Debra Remington.

The subject matter of the invention was derived from research efforts undertaken by William J. Veeneman, Barbara Thomas, and Debra Remington in Minneapolis, Minnesota.

The rights to the present invention were assigned by the inventors William J. Veeneman, Barbara Thomas, and Debra Remington to Gift Certificate Center, Inc. in an Assignment document dated November 22, 1995 and filed on November 22, 1995, recorded at Reel 7796, Frame 0185 on November 22, 1995.

Accordingly, the real party of interest is Gift Certificate Center, Inc. because Gift Certificate Center, Inc. owns the entire right, title, and interest to the present invention.

2.) RELATED APPEALS AND INTERFERENCES

Currently, no related appeals or interferences are known by any party.

3.) STATUS OF THE CLAIMS

Claims 9 – 14 are pending in this application and all are rejected. Claims 1 – 8 and 15 – 29 have been canceled. Appellant appeals claims 9 – 14.

In a Final Office Action mailed 09 July 2008, the Examiner rejected claims 9 – 12 under 35 USC §251 as being improper recapture of broadened claimed subject matter surrendered in the application for patent upon which the present reissue is based. The Examiner indicated that claims 9 – 14 of this application conflict with claims 1 – 8 and 15 – 29 of Reissue Application No. 10/940,094 and required that either the conflicting claims are cancelled from all but one application or a clear line of demarcation be maintained between the applications.

The Examiner rejected claims 9 – 14 under 35 USC §103(a) as being unpatentable over the Chain Store Age Publication in view of McCalley et al. (US Patent No. 5,113,496) and under 35 USC §103(a) as being unpatentable over the Chain Store Age Publication in view of the Parent Publication ("Looking On The Bright Side"). The Examiner further rejected claims 9 – 14 under 35 USC §103(a) as being unpatentable over the Chain Store Age Publication in view of the Brumback Publication ("Electronic Shopping Makes The Retail Connection").

4.) STATUS OF AMENDMENTS

No amendments have been filed since the issuance of the Office Action dated 09 July 2008.

5.) SUMMARY OF CLAIMED SUBJECT MATTER

Appellant's claims are drawn to a unified gift registry that serves a plurality of merchants. The gift registrant uses a portable input and storage device to identify the gifts that are to be added to the registrant's gift registry, with each item tagged by the gift registrant also including the identification of the merchant. The gift registry enables a prospective purchaser to review all of the items in the gift registry for the selected registrant, including the identification of the merchant in whose store the registrant tagged the gift.

Independent Claim 9

9. (Previously presented) A system (20) for registering items selected by a registrant from a plurality of participating merchants for subsequent communication to a prospective purchaser (column 3, lines 46 – 53), the system comprising:

a gift registry computer system (22, 26', 26'') containing identifying information about a registrant, the information for each registrant including at least the registrant's name and a list of potential gifts which the registrant has identified (column 3, lines 46 – 53; column 5, lines 55 – 60; column 6, lines 10 – 30);

a portable input and storage device (24, 40', 40'') for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired gift is from, wherein the input and storage device stores a unique identifier for the particular merchant each desired gift is from (column 3, lines 46 – 65; column 5, lines 55 – 60; column 6, lines 1 – 10; column 15, lines 31 – 47);

a transfer device (45, 54', 54'') connected to the gift registry computer system (22) that receives the information regarding the registrant's desired gifts from the portable input and storage device (24) and transfers the information to the gift registry computer system (22) (column 3, lines 56 – 65; column 5, lines 55 – 60; column 6, lines 10 – 17; column 15, lines 49 – 62); and

a prospective purchaser interface device (30, 32, 30', 32', 30'', 32'') that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from (column 4, lines 14 – 20; column 4, line 57 – column 5, line 13; column 5, lines 60 – 62; column 15, line 49 – column 16, line 9).

Independent Claim 13

13. (Previously presented) A method of operating a gift registry system (20) capable of registering items selected by a registrant from a plurality of

participating merchants in a shopping area as possible gifts for the registrant for subsequent communication to a prospective purchaser for possible purchase as gifts for the registrant, the system having a computer system (22, 26', 26"), a portable input and storage device (24, 40', 40"), a transfer device (45, 54', 54") and a prospective purchaser interface device (30, 32, 30', 32', 30", 32") (column 3, lines 56 – 65), the method comprising the steps of:

receiving (72, 74, 72', 74', 138) identifying information about a registrant at the computer system (20) (column 7, lines 13 – 21; column 9, lines 2 – 6; column 11, lines 22 – 25);

using (80, 80', 80") the portable input and storage device (24, 40', 40") to select desired gifts from a plurality of participating merchants (column 7, lines 35 – 38; column 9, lines 9 – 12, 24 – 32);

using (136) the portable input and storage device (24, 40', 40") to enter a unique identifier for each participating merchant, such that each gift chosen by the registrant will be identified as being from a certain merchant (column 15, lines 11 – 47);

transferring (84, 86, 102) the information received and stored by the portable input and storage device (24, 40', 40") into the computer system (20) via the transfer device (45, 54', 54") (column 7, lines 45 – 52; column 9, lines 12 – 20); and

interfacing (110-116, 110'-116', Fig 10C-10D) with a prospective purchaser such that the prospective purchaser can view a list of the gifts desired by the registrant and the particular merchants the gifts are from (column 9, lines 54 – 58, column 9, line 65 – column 10, line 10; column 13, lines 9 – 64).

6.) GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

The first issue to be reviewed on appeal is whether the final rejection of claims 9 – 12 under 35 USC §251 as being improper recapture of broadened claimed subject matter surrendered in the application for patent upon which the present reissue is based should be reversed. A second issue to be reviewed on appeal is whether the final rejection of Appellant's claims 9 – 14 under 35 USC §103(a) as being unpatentable over

the Chain Store Age Publication in view of McCalley et al. should be reversed. A third issue to be reviewed on appeal is whether the final rejection of Appellant's claims 9 – 14 under 35 USC §103(a) as being unpatentable over the Chain Store Age Publication in view of the Parent Publication should be reversed. A fourth issue to be reviewed on appeal is whether the final rejection of Appellant's claims 9 – 14 under 35 USC §103(a) as being unpatentable over the Chain Store Age Publication in view of Brumback et al. should be reversed.

7.) ARGUMENTS

I. Rejection of Claims 9 – 12 Under 35 USC §251

la. Examiner's Position – Improper Recapture Under 35 USC §251

The Examiner rejected claims 9 – 12 under 35 USC §251 as being improper recapture of broadened claimed subject matter surrendered in the application for patent upon which the present reissue is based, noting with respect thereto:

A broadening aspect is present in the reissue which was not present in the application for patent. The record of the application for the patent shows that the broadening aspect (in the reissue) relates to subject matter that Applicant previously surrendered during the prosecution of the application. Accordingly, the narrow scope of the claims in the parent was not an error within the meaning of 35 U.S.C. 251, and the broader scope surrendered in the application for patent cannot be recaptured by the filing of the present reissue application.

Applicant's broadening of the claims has been considered in light of the prosecution of the parent cases and is seen to be improper recapture. Applicant's arguments of 12 September 1997, repeated in the Preliminary Amendment, argue that the registry serves a plurality of stores in a shopping area, not stores which are in spatially distant areas. Applicant's amendment of 30 June 2000 removes the proximity limitation from both the stores and the registry, which is seen as improper recapture.

lb. Appellant's Position – Absence Of Improper Recapture Under 35 USC §251

In the Preliminary Amendment dated 30 June 2000, Appellant deleted the reference to the "kiosk" from claim 9, since this structure was an unnecessary, erroneous, and gratuitous addition to the original patent. The term "kiosk" was inserted in claim 9 and is not a necessary element required to traverse any rejection of the original claims, as witnessed by claim 13 of the original patent, which fails to have such a limitation. Thus, the removal of the term "kiosk" is not improper recapture and entails removal of the entire

reference to the kiosk, including the phrase “disposed proximate the stores of a plurality of merchants in a shopping area, each of said merchants participating in the gift registry”, which phrase modifies the term “kiosk” since this phrase is descriptive of the kiosk.

The reissue claims are for the same invention as disclosed as being the invention in the original patent, as required by 35 U.S.C. §251, where:

- (A) the claims presented in the reissue application are described in the original patent specification and enabled by the original patent specification such that 35 U.S.C. §112 first paragraph is satisfied; and
- (B) nothing in the original patent specification indicates an intent not to claim the subject matter of the claims presented in the reissue application.

In addition, the claims presented in the reissue application do not impermissibly recapture canceled subject matter, pursuant to the guidelines for impermissible recapture set forth by the Court of Appeals for the Federal Circuit in *Clement*, 131 F.3d at 1468-69, 45 USPQ2d at 1164:

“The first step in applying the recapture rule is to determine whether and in what aspect the reissue claims are broader than the patent claims. ... The second step is to determine whether the broader aspects of the reissue claims relate to surrendered subject matter. To determine whether an Appellant surrendered particular subject matter, we look to the prosecution history for arguments and changes to the claims made in an effort to overcome a prior art rejection.”

In particular, the rule for impermissible recapture dictates that, if the claim limitation now being omitted was originally presented to make the claims allowable over a rejection made in the original application, the omitted claim limitation relates to subject matter previously surrendered by the Appellant, and impermissible recapture exists. In the original patent application, a single Office Action was issued on 20 June 1997, rejecting claims 1 – 14 under 35 U.S.C. 103(a) as being unpatentable over the publication article titled “Here Comes the (New) Bridal Registry” which appeared in the *Chain Store Age Executive*, October 1992, as well as by Appellant’s admitted prior art discussed in the *Background Of The Invention*. In response to the 20 June 1997 Office Action, Appellant filed an amendment on 12 September 1997 and amended independent claims 1 and 9 (but not independent claim 13) to traverse the Examiner’s rejection of claims 1 – 14, with claim 9 being illustrative of these amendments:

9. A system for registering items selected by a registrant from a plurality of participating merchants for subsequent communication to a prospective purchaser, the system comprising:

a gift registry kiosk disposed proximate the stores of a plurality of merchants in a shopping area, each of said merchants participating in the gift registry, the gift registry kiosk having a computer system containing identifying information about a registrant, the information for each registrant including at least one name for the registrant and a list of potential gifts which the registrant has identified;

a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired gift is from, wherein the input and storage device stores a unique identifier for the particular merchant each desired gift is from;

a transfer device connected to the computer system that receives the information regarding the registrant's desired gifts from the portable input and storage device and transfers the information to the computer system; and

a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from.

These amendments define the fact that each merchant is assigned a unique identifier and the gift selected by the registrant is tied to a particular merchant who offers the selected gift, via the use of this unique identifier. In addition, Appellant added the limitation of a kiosk for use by the registrant to input the gift and merchant data. The arguments made by Appellant in the 12 September 1997 amendment to present these amendments were:

"The claims as amended are drawn to a gift registry that serves a plurality of merchants each having a store in a shopping area. Neither Applicants' admitted prior art nor the publication article is drawn to a registry serving a plurality of merchants, each merchant having a store in a shopping area. In fact, the publication article inferentially teaches away from the registry serving a number of stores in a shopping area. The registry in the publication article serves a number of stores under common ownership in a chain of stores. Typically the individual stores making up the chain of stores are located distant from one another in order to attract customers from a number of spatially distant areas, as distinct from the present invention in which the registry serves a number of different stores in a shopping area."

Nothing in these arguments refer to a “kiosk”, and the arguments instead are directed to the distinguishing factor of a gift registry system that serves many merchants, each having a unique identifier, where the gift information is correlated with the selected merchant via the unique merchant identifier. Therefore, the substitution of “gift registry computer system” in claim 9 maintains the distinguishing characteristics of Appellant's invention over the cited references, which is the provision of a gift registry system for a plurality of merchants, with the registrant entering registrant gift data to indicate not only the identity of the selected gift but also the unique identity of the merchant who sells the selected gift. The more general terminology of “gift registry computer system” is supported by the disclosure of the embodiment of Figure 3 and the associated description in column 6 of the patent. Thus, the terminology “gift registry computer system” is more appropriate for use in independent claim 9 than the terminology “kiosk”. In addition, the limitation “kiosk” is not addressed in Appellant's arguments in the 12 September 1997 amendment or necessary to distinguish over the cited references as evidenced by the allowed independent claim 13 which does not contain such a limitation. Therefore, the amendments to independent claim 9 do not represent impermissible recapture of canceled subject matter.

II. Rejection Of Claims 9 – 14 Under 35 U.S.C. §103(a) As Being Unpatentable Over Chain Store Age In View Of McCalley Et Al.

Ila. Examiner's Position

The Examiner further rejected claims 9 – 14 under 35 USC §103(a) as being unpatentable over the Chain Store Age Publication in view of McCalley et al. (US Patent No. 5,113,496), noting with respect thereto:

As per Claim 9, 13.

Chain Store Age, which appears to be published in October 1992 (see bottom of the first page), discloses:

a gift registry computer system containing identifying information about a registrant, the information for each registrant including at least the registrant's name and a list of potential gifts which the registrant has identified (page 1 lines 51- page 2 column 1, line 10);

a portable input and storage device for use by the registrant with a plurality of potential gifts, the input and storage device being capable of receiving and storing information regarding the registrant's desired [sic] (page 2 column 1, lines 3-10 and lines 41-48);

a transfer device connected to the computer system that receives the information regarding the registrant's desired gifts from the portable input and storage device and transfers the information to the gift registry computer system (page 2 column 1, lines 6-10);

a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from (page 2 column 3, lines 14-21).

While Chain Store Age discloses the collection of SKU numbers, which can be specific to the merchant and in the case of a store brand and therefore identified with the merchant, just as the bride can scan a generic code, (page 2, column 1, lines 41-49), Chain Store Age does not specifically disclose the unique identifier associated with the particular merchant having each of the desired gifts.

McCalley et al ('496) teaches a system that provides customers with online shopping and gift registry in the electronic mall, (column 22, lines 9-13) for the benefit of increased customer satisfaction and convenience.

Therefore, it would have been obvious to one of ordinary skill in the art, at the time the invention was made to modify the invention of Chain Store Age, if necessary, to store and display gift registry associated with different merchants, as taught by McCalley et al ('496) for the benefit of increased customer satisfaction and convenience.

IIb. Appellant's Position

Appellant submits that the 35 U.S.C. §103(a) rejections of claims 9 – 14 set forth in the Final Office Action dated 09 July 2008 fail to set forth a prima facie showing of obviousness because:

- (1) the Examiner has failed to cite and apply references which contain all of the claimed elements or limitations of Appellant's claimed invention, and
- (2) the Examiner has not shown where the prior art, the nature of the problem to be solved, or the knowledge of those skilled in the art provide any motivation or suggestion to combine elements in the prior art relied upon by the Examiner to render the claimed invention obvious, and instead has relied upon hindsight to attempt to piecemeal reconstruct Appellant's claimed invention from the prior art.

None of the prior art relied upon by the Examiner in the rejection of claims 9 – 14 contains the following elements or limitations recited in Appellant's independent claims:

- 1.) a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being

capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired gift is from, wherein the input and storage device stores a unique identifier for the particular merchant each desired gift is from;

2.) a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from.

IIc. Appellant's Characterization Of The References

Characterization Of The Chain Store Age Publication

The Chain Store Age Executive publication discloses a traditional merchant-exclusive gift registry system wherein a bride can scan a single store's SKU numbers into the system to generate a list of desired gifts. As noted on pages 58 and 62:

"With the new-generation system, the bride actually walks the store with a consultant to find what she wants. As she picks out items, the consultant scans them with a handheld, portable laser scanner," he says.

When the bride and the consultant return to the store's bridal registry office, the consultant downloads the scanner information by batch to the registry computer.

Also on page 62:

Moreover, when a customer buys a gift from the registry list, the system automatically removes that item from the list as soon as it is rung up at the point of sale. The on-line, real-time removal of items from the list dramatically reduces the incidence of duplicate buys, thereby also reducing returns, Asher says.

However, the Chain Store Age system does not store merchant identification information, since the gift registry is exclusively used in a single merchant's store, and does not cover multiple merchants. In fact, the entirety of the description, as highlighted by the above quotes from the article, is devoid of even a hint of multiple merchants, since the system is exclusively single merchant-centric and not extensible to multiple merchants. In fact, the concept of multiple merchants is contrary to all aspects of the teachings of the Chain Store Age article.

Characterization Of U.S. Patent No. 5,113,496

The McCalley Patent teaches an interactive multimedia presentation and communications system that provides the functions and capabilities of an electronic shopping mall. In this context, a subscriber generally sees video images and hears an

audio commentary about products that the subscriber has elected to view and possibly purchase. In addition to audio commentary, background music and other general information may be available. Limited forms of motion video may include short sequences of panning, zooming, and live motion. Thus, the system of the McCalley Patent permits a shopper, in the comfort of his home, to browse through an "electronic mall" of different shops, one shop at a time, to obtain detailed information on particular items, and make purchases.

As described in the McCalley Patent in column 19, lines 14 – 22:

Within the context of an electronic mall, it is useful to view each position within the mall to which a subscriber may possibly navigate, as constituting a "node" of the system. Each node has a unique appearance and structure. The appearance of the node constitutes what the subscriber is being shown and told at that point of his shopping excursion. The underlying structure of the node is represented by data which enable a particular subscriber to make particular choices.

Furthermore, in column 29, line 31 – column 30, line 2:

To complete the purchase request, session server 74 interacts with the client's network server 82 to access the client's inventory system and verify that the particular selected item is available. For purposes of this example, we assume that the merchandise item is available. The session server 74 then requests a cashier server 84 from the placement agent 72. The placement agent 72 returns the name of an available cashier server 84 to the session server 74. The session server 74 then interacts with the cashier server 84 and with a credit authorization server (not shown) which would normally be provided via the client network server 82 and the gateway 86, to authorize the sale if payment is to be made by credit card. The session server 74 proceeds to interact with the cashier server 84 to "ring up" the sale. This would normally include certain calculations such as sales tax and would include certain subscriber interactions, such as delivery information specification, which are not shown here. When the cashier server 84 is finished with the sale, it volunteers itself back to the placement agent 72. A sale confirmation script is constructed by the session server 74 and sent to the channel server 36 for transmission to the subscriber 20.

The order for the merchandise is sent to the client network server 82, and then on to the particular client through gateway 86. The channel server 36 proceeds to send the sale confirmation script, and accompanying audio or video images to the subscriber presentation player 54 via the multiplexer/modulator 81 and transmitter 83. Meanwhile, the session server 74 has pre-fetched the script shell from data services 79

for each possible choice that the subscriber is offered in the sale confirmation presentation. The subscriber 20 makes a choice from the menu presented (such as suggestions for synergistic sales). His choice reaches the session server 74 via the voice network server 70. Session server 74 proceeds to update the script shell which has been pre-fetched, with the information representing the subscriber's choice, and sends it to the channel server 36.

Therefore, the system of the McCalley Patent operates seriatim to enable a customer to initiate a shopping session and purchase goods from each store in the electronic mall, with the transaction being completed before the customer leaves the store. Again, as with the Chain Store Age Publication, the various stores are each independently operational, and the system of the McCalley Patent simply provides the customer with a single gateway by which to browse the various stores in the electronic mall on an insular basis, with each store maintaining their own inventory information, and wherein "Each node has a unique appearance and structure. The appearance of the node constitutes what the subscriber is being shown and told at that point of his shopping excursion." The stores, therefore, are each treated as a separate node, with no linking among the stores. There is a single comment in the McCalley Patent that a gift registry could be an application (column 22, lines 9 – 13). However, there is no disclosure in the McCalley Patent of a unified database of gift registry information, where the data entries are distinguished by a "unique identifier associated with the particular merchant having each of the desired gifts," as is specifically recited in Appellant's independent claims. Thus, the McCalley Patent is devoid of a teaching of a gift registry across the various merchants. The McCalley Patent is a gateway that enables the customer to access a plurality of individual, independent stores, execute a complete shopping session in each store visited, and exit the store with the purchases completed before moving to the next store in the mall. There is no gift registry that links information among the stores in a common database using a "unique identifier associated with the particular merchant having each of the desired gifts," as is specifically recited in Appellant's independent claims 9 and 13.

IId. Discussion Of The Rejection Of Claims 9 – 14

Appellant maintains that a combination of these references is inappropriate to support an obviousness rejection of claims 9 – 14 due to the fact they fail to teach functions which are recited in Appellant's independent claims, as noted above. The above analysis of the cited references is intended to accurately characterize the cited references

and is not intended to show non-obviousness by attacking the references individually. Only by understanding the metes and bounds of the teachings of the references can the issue of non-obviousness properly be addressed.

In particular, the Supreme Court decision *KSR Int'l v. Teleflex, Inc.*, 127 S. Ct. 1727 (2007) rejected the rigid formalistic application of the rules of obviousness with respect to the requirement of demonstrating a teaching, suggestion, or motivation to combine known elements, but it did note several factors that were important in the determination of obviousness:

When it first established the requirement of demonstrating a teaching, suggestion, or motivation to combine known elements in order to show that the combination is obvious, the Court of Customs and Patent Appeals captured a helpful insight. See *Application of Bergel*, 292 F. 2d 955, 956–957 (1961). As is clear from cases such as *Adams*, a patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art. Although common sense directs one to look with care at a patent application that claims as innovation the combination of two known devices according to their established functions, it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does. This is so because inventions in most, if not all, instances rely upon building blocks long since uncovered, and claimed discoveries almost of necessity will be combinations of what, in some sense, is already known. [emphasis added]

The Court also addressed the issue of hindsight:

A fact finder should be aware, of course, of the distortion caused by hindsight bias and must be cautious of arguments reliant upon ex post reasoning. See *Graham*, 383 U. S., at 36 (warning against a “temptation to read into the prior art the teachings of the invention in issue” and instructing courts to “ ‘guard against slipping into the use of hindsight’ ” (quoting *Monroe Auto Equipment Co. v. Heckethorn Mfg. & Supply Co.*, 332 F. 2d 406, 412 (CA6 1964))). Rigid preventative rules that deny fact finders recourse to common sense, however, are neither necessary under our case law nor consistent with it. [emphasis added]

The injudicious statements and hindsight bias warned against by the Court is present in the Examiner's assertions with respect to Appellant's independent claim 9. The Examiner has misapplied the obviousness rejection parameters articulated by the US Supreme Court in the KSR decision and has failed to properly illustrate the combination of

two known devices according to their established functions, but instead has simply identified several similarities of two references to Appellant's claimed structure, even though the functions implemented by the various references are in contradiction to the functions implemented by Appellant's claimed structure. One such example is the Examiner's rejection of Appellant's claim 9, recited in pertinent part:

Chain Store Age ... discloses: ...

a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired [sic] (page 2 column 1, lines 3-10 and lines 41-48); ...

While Chain Store Age discloses the collection of SKU numbers, which can be specific to the merchant and in the case of a store brand and therefore identified with the merchant, just as the bride can scan a generic code, (page 2, column 1, lines 41-49), Chain Store Age does not specifically disclose the unique identifier associated with the particular merchant having each of the desired gifts.

McCalley et al ('496) teaches a system that provides customers with online shopping and gift registry in the electronic mall, (column 22, lines 9-13) for the benefit of increased customer satisfaction and convenience.

Therefore, it would have been obvious to one of ordinary skill in the art, at the time the invention was made to modify the invention of Chain Store Age, if necessary, to store and display gift registry associated with different merchants, as taught by McCalley et al ('496) for the benefit of increased customer satisfaction and convenience.

In summary, the Examiner has used a "cut and paste" of these disclosures without regard to the functions taught by the cited references and the functions of the structure recited in Appellant's claims, such as claim 9 as discussed herein. The Chain Store Age publication teaches a store-centric gift registry and teaches away from intra-merchant use of the system, while the McCalley Patent teaches only software that provides the user with a virtual mall and fails to disclose any teaching of a gift registry system that could be implemented. Therefore, the Examiner has misapplied the obviousness rejection standards as articulated by the U.S. Supreme Court in the KSR decision and, therefore, has failed to establish a prima facie case for obviousness of claim 9 under 35 USC 103(a). Appellant respectfully maintains that claim 9 is allowable under 35 USC 103(a) both over the cited references and also since it depends on an allowable base claim.

Appellant submits that the 35 U.S.C. §103(a) rejections of claims 9 – 14 set forth in the Final Office Action dated 09 July 2008 fail to set forth a prima facie showing of obviousness because:

- (1) the Examiner has failed to cite and apply references which contain all of the claimed elements or limitations of Appellant's claimed invention, and
- (2) the Examiner has not shown where the prior art, the nature of the problem to be solved, or the knowledge of those skilled in the art provide any motivation or suggestion to combine elements in the prior art relied upon by the Examiner to render the claimed invention obvious, and instead has relied upon hindsight to attempt to piecemeal reconstruct Appellant's claimed invention from the prior art.

None of the prior art relied upon by the Examiner in the rejection of claims 9 – 14 contains the following elements or limitations recited in Appellant's independent claims:

- 1.) a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired gift is from, wherein the input and storage device stores a unique identifier for the particular merchant each desired gift is from;
- 2.) a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from.

Furthermore, the MPEP and case law have established a need to show a motivation to combine the references in a 35 U.S.C. §103 obviousness rejection. The Examiner has failed to provide any factual basis for his suggested combination and admits that Chain Store Age fails to show or suggest a multi-merchant gift registry system, since this system is exclusively "bricks and mortar" store-centric. The Examiner also fails to show where the McCalley Patent teaches any form of gift registry that operates uniformly across multiple merchants since this system is only a virtual mall, but simply notes that the modification of both references in a manner as taught exclusively by Appellant would produce a system that has improved performance "for the benefit of increased customer satisfaction and convenience." In fact, the combination suggested by the Examiner is contrary to the teachings of both store-centric references, and the Examiner has failed to provide any explanation of how this combination could be accomplished, but has simply provided the superfluous and meaningless statement "for the benefit of increased

customer satisfaction and convenience” which provides no tangible explanation to support the obviousness rejection. Therefore, the basis for this combination is impermissible hindsight engineering, since the Examiner has failed in the “Patent Office has the initial duty of supplying the factual basis for its rejection”:

A rejection based on §103 clearly must rest on a factual basis, without hindsight reconstruction of Appellants' system of the prior art. In making this evaluation, all the facts must be considered. The Patent Office has the initial duty of supplying the factual basis for its rejection. It may not because it may doubt that the invention is patentable resort to speculation, unfounded assumptions or hindsight reconstruction to supply its factual basis. *In re Warner*, 154 USPQ 173 (CCPA 1967).

Therefore, Appellant believes that claims 9 – 14 are allowable under 35 U.S.C. §103(a) over the cited Chain Store Age Publication and the McCalley Patent since neither of these references show or suggest Appellant's claimed “a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired gift is from, wherein the input and storage device stores a unique identifier for the particular merchant each desired gift is from” or Appellant's claimed “a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from.”

III. Rejection Of Claims 9-14 Under 35 U.S.C. §103(a) As Being Unpatentable Over Chain Store Age In View Of The Parent Publication

IIIa. Examiner's Position

The Examiner further rejected claims 9 – 14 under 35 USC §103(a) as being unpatentable over Chain Store Age in view of the Parent Publication, noting with respect thereto:

As per Claims 9, 13

Chain Store Age discloses:

a gift registry computer system containing identifying information about a registrant, the information for each registrant including at least the registrant's name and a list of potential gifts which the registrant has identified (page 1 lines 51- page 2 column 1, line 10);

a portable input and storage device for use by the registrant with a plurality of potential gifts, the input and storage device being capable of receiving and storing information regarding the registrant's desired [sic] (page 2 column 1, lines 3-10 and lines 41-48);

a transfer device connected to the computer system that receives the information regarding the registrant's desired gifts from the portable input and storage device and transfers the information to the gift registry computer system (page 2 column 1, lines 6-10);

a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from (page 2 column 3, lines 14-21).

While Chain Store Age discloses the collection of SKU numbers, which can be specific to the merchant and in the case of a store brand and therefore identified with the merchant, just as the bride can scan a generic code, (page 2, column 1, lines 41-49), Chain Store Age does not specifically disclose the unique identifier associated with the particular merchant having each of the desired gifts.

Parent teaches a mall that provides multi merchant gift registry service to its customers for the benefit of increased customer satisfaction and convenience.

Therefore, it would have been obvious to one of ordinary skill in the art, at the time the invention was made to modify the invention of Chain Store Age, if necessary, to store and display gift registry associated with different merchants, as taught by Parent for the benefit of increased customer satisfaction and convenience.

IIIb. Appellant's Position

Appellant submits that the 35 U.S.C. §103(a) rejections of claims 9 – 14 set forth in the Final Office Action dated 09 July 2008 fail to set forth a prima facie showing of obviousness because:

- (1) the Examiner has failed to cite and apply references which contain all of the claimed elements or limitations of Appellant's claimed invention, and
- (2) the Examiner has not shown where the prior art, the nature of the problem to be solved, or the knowledge of those skilled in the art provide any motivation or suggestion to combine elements in the prior art relied upon by the Examiner to render the claimed invention obvious, and instead has relied upon hindsight to attempt to piecemeal reconstruct Appellant's claimed invention from the prior art.

None of the prior art relied upon by the Examiner in the rejection of claims 9 – 14 contains the following elements or limitations recited in Appellant's independent claims:

- 1.) a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired gift is from, wherein the input and storage device stores a unique identifier for the particular merchant each desired gift is from;
- 2.) a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from.

IIIc. Appellant's Characterization Of The References

Characterization Of The Chain Store Age Publication

The Chain Store Age Executive publication discloses a traditional merchant-exclusive gift registry system wherein a bride can scan a single store's SKU numbers into the system to generate a list of desired gifts. As noted on pages 58 and 62:

"With the new-generation system, the bride actually walks the store with a consultant to find what she wants. As she picks out items, the consultant scans them with a handheld, portable laser scanner," he says.

When the bride and the consultant return to the store's bridal registry office, the consultant downloads the scanner information by batch to the registry computer.

Also on page 62:

Moreover, when a customer buys a gift from the registry list, the system automatically removes that item from the list as soon as it is rung up at the point of sale. The on-line, real-time removal of items from the list dramatically reduces the incidence of duplicate buys, thereby also reducing returns, Asher says.

However, the Chain Store Age system does not store merchant identification information, since the gift registry is exclusively used in a single merchant's store and does not cover multiple merchants. In fact, the entirety of the description, as highlighted by the above quotes from the article, is devoid of even a hint of multiple merchants, since the system is exclusively single merchant-centric and not extensible to multiple merchants. In fact, the concept of multiple merchants is contrary to all aspects of the teachings of the Chain Store Age article.

Characterization Of Parent Publication

The Parent Publication teaches a mall where a non-shared gift registry service is provided for all of the stores in the mall, but again, as with the Chain Store Age

publication, the various stores are each independently operational. Thus, there is no suggestion to provide a unified database of registry information, where the data entries are distinguished by a "unique identifier associated with the particular merchant having each of the desired gifts," as is specifically recited in Patent Owner's independent claims.

IIId. Discussion Of Rejection Of Claims 9 – 14

Appellant maintains that a combination of these references is inappropriate to support an obviousness rejection of claims 9 – 14 due to the fact they fail to teach functions which are recited in Appellant's independent claims, as noted above. The above analysis of the cited references is intended to accurately characterize the cited references and is not intended to show non-obviousness by attacking the references individually. Only by understanding the metes and bounds of the teachings of the references can the issue of non-obviousness properly be addressed.

In particular, the Supreme Court decision *KSR Int'l v. Teleflex, Inc.*, 127 S. Ct. 1727 (2007) rejected the rigid formalistic application of the rules of obviousness with respect to the requirement of demonstrating a teaching, suggestion, or motivation to combine known elements, but it did note several factors that were important in the determination of obviousness:

When it first established the requirement of demonstrating a teaching, suggestion, or motivation to combine known elements in order to show that the combination is obvious, the Court of Customs and Patent Appeals captured a helpful insight. See *Application of Bergel*, 292 F. 2d 955, 956–957 (1961). As is clear from cases such as *Adams*, a patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art. Although common sense directs one to look with care at a patent application that claims as innovation the combination of two known devices according to their established functions, it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does. This is so because inventions in most, if not all, instances rely upon building blocks long since uncovered, and claimed discoveries almost of necessity will be combinations of what, in some sense, is already known. [emphasis added]

The Court also addressed the issue of hindsight:

A fact finder should be aware, of course, of the distortion caused by hindsight bias and must be cautious of arguments reliant upon ex post reasoning. See *Graham*, 383 U. S., at 36 (warning against a “temptation to read into the prior art the teachings of the invention in issue” and instructing courts to “ ‘guard against slipping into the use of hindsight’ ” (quoting *Monroe Auto Equipment Co. v. Heckethorn Mfg. & Supply Co.*, 332 F. 2d 406, 412 (CA6 1964))). Rigid preventative rules that deny fact finders recourse to common sense, however, are neither necessary under our case law nor consistent with it. [emphasis added]

The injudicious statements and hindsight bias warned against by the Court is present in the Examiner's assertions with respect to Appellant's independent claim 9. The Examiner has misapplied the obviousness rejection parameters articulated by the US Supreme Court in the KSR decision and has failed to properly illustrate the combination of two known devices according to their established functions, but instead has simply identified several similarities of two references to Appellant's claimed structure, even though the functions implemented by the various references are in contradiction to the functions implemented by Appellant's claimed structure. One such example is the Examiner's rejection of Appellant's claim 9, recited in pertinent part:

Chain Store Age ... discloses: ...

a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired [sic] (page 2 column 1, lines 3-10 and lines 41-48); ...

While Chain Store Age discloses the collection of SKU numbers, which can be specific to the merchant and in the case of a store brand and therefore identified with the merchant, just as the bride can scan a generic code, (page 2, column 1, lines 41-49), Chain Store Age does not specifically disclose the unique identifier associated with the particular merchant having each of the desired gifts.

Parent teaches a mall that provides multi merchant gift registry service to its customers for the benefit of increased customer satisfaction and convenience.

Therefore, it would have been obvious to one of ordinary skill in the art, at the time the invention was made to modify the invention of Chain Store Age, if necessary, to store and display gift registry associated with different merchants, as taught by Parent for the benefit of increased customer satisfaction and convenience.

In summary, the Examiner has used a "cut and paste" of these disclosures without regard to the functions taught by the cited references and the functions of the structure recited in Appellant's claims, such as claim 9 as discussed herein. In particular, the Chain Store Age publication teaches a store-centric gift registry and teaches away from intra-merchant use of the system, while the Parent Publication teaches a mall that provides a separate gift registry system for each individual store, in isolation with no sharing of information among the stores. Therefore, the Examiner has misapplied the obviousness rejection standards as articulated by the U.S. Supreme Court in the KSR decision and, therefore, has failed to establish a prima facie case for obviousness of claim 9 under 35 USC 103(a). Appellant respectfully maintains that claim 9 is allowable under 35 USC 103(a) both over the cited references and also since it depends on an allowable base claim.

Appellant submits that the 35 U.S.C. §103(a) rejections of claims 9 – 14 set forth in the Final Office Action dated 09 July 2008 fail to set forth a prima facie showing of obviousness because:

- (1) the Examiner has failed to cite and apply references which contain all of the claimed elements or limitations of Appellant's claimed invention, and
- (2) the Examiner has not shown where the prior art, the nature of the problem to be solved, or the knowledge of those skilled in the art provide any motivation or suggestion to combine elements in the prior art relied upon by the Examiner to render the claimed invention obvious, and instead has relied upon hindsight to attempt to piecemeal reconstruct Appellant's claimed invention from the prior art.

None of the prior art relied upon by the Examiner in the rejection of claims 9 – 14 contains the following elements or limitations recited in Appellant's independent claims:

- 1.) a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired gift is from, wherein the input and storage device stores a unique identifier for the particular merchant each desired gift is from;
- 2.) a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from.

Furthermore, the MPEP and case law have established a need to show a motivation to combine the references in a 35 U.S.C. §103 obviousness rejection. The Examiner has failed to provide any factual basis for his suggested combination and admits that Chain Store Age fails to show or suggest a multi-merchant gift registry system, since this system is exclusively “bricks and mortar” store-centric. The Examiner also fails to show where the Parent Publication teaches any form of gift registry that operates uniformly across multiple merchants, since this system is only a gift registry system which is available to each store in isolation with no cross reference to other stores in the mall, but simply notes that the modification of both references in a manner as taught exclusively by Appellant would produce a system that has improved performance “for the benefit of increased customer satisfaction and convenience.” In fact, the combination suggested by the Examiner is contrary to the teachings of both references, since both references are exclusively store-centric; and the Examiner has failed to provide any explanation of how this combination could be accomplished, and has simply provided the superfluous and meaningless statement “for the benefit of increased customer satisfaction and convenience” which provides no tangible explanation to support the obviousness rejection. Therefore, the basis for this combination is impermissible hindsight engineering, since the Examiner has failed in the “Patent Office has the initial duty of supplying the factual basis for its rejection”:

A rejection based on §103 clearly must rest on a factual basis, without hindsight reconstruction of Applicant's system of the prior art. In making this evaluation, all the facts must be considered. The Patent Office has the initial duty of supplying the factual basis for its rejection. It may not because it may doubt that the invention is patentable resort to speculation, unfounded assumptions or hindsight reconstruction to supply its factual basis. *In re Warner*, 154 USPQ 173 (CCPA 1967).

Therefore, Appellant believes that claims 9 – 14 are allowable under 35 U.S.C. §103(a) over the cited Chain Store Age Publication and the Parent Publication, since neither of these references show or suggest Appellant's claimed “a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired gift is from, wherein the input and storage device stores a unique identifier for the particular merchant each desired gift is from” or Appellant's claimed “a prospective purchaser interface device that allows a

prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from.”

IV. Rejection Of Claims 9 – 14 Under 35 U.S.C. §103(a) As Being Unpatentable Over Chain Store Age In View Of Brumback Et Al.

IVa. Examiner's Position

The Examiner further rejected claims 9 – 14 under 35 USC §103(a) as being unpatentable over Chain Store Age in view of Brumback et al. (“Electronic shopping makes the retail connection”) noting with respect thereto:

As per Claims 9, 13

Chain Store Age discloses:

a gift registry computer system containing identifying information about a registrant, the information for each registrant including at least the registrant's name and a list of potential gifts which the registrant has identified (page 1 lines 51- page 2 column 1, line 10);

a portable input and storage device for use by the registrant with a plurality of potential gifts, the input and storage device being capable of receiving and storing information regarding the registrant's desired (page 2 column 1, lines 3-10 and lines 41-48);

a transfer device connected to the computer system that receives the information regarding the registrant's desired gifts from the portable input and storage device and transfers the information to the gift registry computer system (page 2 column 1, lines 6-10);

a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from (page 2 column 3, lines 14-21).

While Chain Store Age discloses the collection of SKU numbers, which can be specific to the merchant and in the case of a store brand and therefore identified with the merchant, just as the bride can scan a generic code, (page 2, column 1, lines 41-49), Chain Store Age does not specifically disclose the unique identifier associated with the particular merchant having each of the desired gifts.

Brumback et al teaches a system that provides customers with gift suggestions from several stores in the mall, see page 4, lines 9-13 for the benefit of increased customer satisfaction and convenience.

Therefore, it would have been obvious to one of ordinary skill in the art, at the time the invention was made to modify the invention of Chain Store Age, if necessary, to store and display gift suggestions associated

with different merchants, as taught by Brumback et al for the benefit if increased customer satisfaction and convenience.

IVb. Appellant's Position

Appellant submits that the 35 U.S.C. §103(a) rejections of claims 9 – 14 set forth in the Final Office Action dated 09 July 2008 fail to set forth a prima facie showing of obviousness because:

- (1) the Examiner has failed to cite and apply references which contain all of the claimed elements or limitations of Appellant's claimed invention, and
- (2) the Examiner has not shown where the prior art, the nature of the problem to be solved, or the knowledge of those skilled in the art provide any motivation or suggestion to combine elements in the prior art relied upon by the Examiner to render the claimed invention obvious, and instead has relied upon hindsight to attempt to piecemeal reconstruct Appellant's claimed invention from the prior art.

None of the prior art relied upon by the Examiner in the rejection of claims 9 – 14 contains the following elements or limitations recited in Appellant's independent claims:

- 1.) a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired gift is from, wherein the input and storage device stores a unique identifier for the particular merchant each desired gift is from;
- 2.) a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from.

IVc. Appellant's Characterization Of The References

Characterization Of The Chain Store Age Publication

The Chain Store Age Executive publication discloses a traditional merchant-exclusive gift registry system wherein a bride can scan a single store's SKU numbers into the system to generate a list of desired gifts. As noted on pages 58 and 62:

"With the new-generation system, the bride actually walks the store with a consultant to find what she wants. As she picks out items, the consultant scans them with a handheld, portable laser scanner," he says.

When the bride and the consultant return to the store's bridal registry office, the consultant downloads the scanner information by batch to the registry computer.

Also on page 62:

Moreover, when a customer buys a gift from the registry list, the system automatically removes that item from the list as soon as it is rung up at the point of sale. The on-line, real-time removal of items from the list dramatically reduces the incidence of duplicate buys, thereby also reducing returns, Asher says.

However, the Chain Store Age system does not store merchant identification information, since the gift registry is exclusively used in a single merchant's store and does not cover multiple merchants. In fact, the entirety of the description, as highlighted by the above quotes from the article, is devoid of even a hint of multiple merchants, since the system is exclusively single merchant-centric and not extensible to multiple merchants. In fact, the concept of multiple merchants is contrary to all aspects of the teachings of the Chain Store Age article.

Characterization Of The Brumback Publication

The Brumback Publication discloses a number of electronic shopping systems in vague detail. These include video-disk review of a store's products, online review of a store's products, a mall kiosk system that provides gift suggestions for a customer, and a store-specific bridal registry. Again, as with the Chain Store Age publication, the various stores are each independently operational, and the Brumback Publication simply provides the customer with a single gateway by which to browse the various stores in the electronic mall on a seriatim basis, with each store maintaining its independence from the other stores. Thus, there is no suggestion to provide a unified database of registry information, where the data entries are distinguished by a "unique identifier associated with the particular merchant having each of the desired gifts," as is specifically recited in Patent Owner's independent claims.

IVd. Discussion Of Rejection Of Claims 9 – 14

Appellant maintains that a combination of these references is inappropriate to support an obviousness rejection of claims 9 – 14 due to the fact they fail to teach functions which are recited in Appellant's independent claims, as noted above. The above analysis of the cited references is intended to accurately characterize the cited references and is not intended to show non-obviousness by attacking the references individually.

Only by understanding the metes and bounds of the teachings of the references can the issue of non-obviousness properly be addressed.

In particular, the Supreme Court decision *KSR Int'l v. Teleflex, Inc.*, 127 S. Ct. 1727 (2007) rejected the rigid formalistic application of the rules of obviousness with respect to the requirement of demonstrating a teaching, suggestion, or motivation to combine known elements, but it did note several factors that were important in the determination of obviousness:

When it first established the requirement of demonstrating a teaching, suggestion, or motivation to combine known elements in order to show that the combination is obvious, the Court of Customs and Patent Appeals captured a helpful insight. See *Application of Bergel*, 292 F. 2d 955, 956–957 (1961). As is clear from cases such as *Adams*, a patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art. Although common sense directs one to look with care at a patent application that claims as innovation the combination of two known devices according to their established functions, it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does. This is so because inventions in most, if not all, instances rely upon building blocks long since uncovered, and claimed discoveries almost of necessity will be combinations of what, in some sense, is already known. [emphasis added]

The Court also addressed the issue of hindsight:

A fact finder should be aware, of course, of the distortion caused by hindsight bias and must be cautious of arguments reliant upon ex post reasoning. See *Graham*, 383 U. S., at 36 (warning against a “temptation to read into the prior art the teachings of the invention in issue” and instructing courts to “ ‘guard against slipping into the use of hindsight’ ” (quoting *Monroe Auto Equipment Co. v. Heckethorn Mfg. & Supply Co.*, 332 F. 2d 406, 412 (CA6 1964))). Rigid preventative rules that deny fact finders recourse to common sense, however, are neither necessary under our case law nor consistent with it. [emphasis added]

The injudicious statements and hindsight bias warned against by the Court is present in the Examiner's assertions with respect to Appellant's independent claim 9. The Examiner has misapplied the obviousness rejection parameters articulated by the US Supreme Court in the *KSR* decision and has failed to properly illustrate the combination of two known devices according to their established functions, but instead has simply

identified several similarities of two references to Appellant's claimed structure, even though the functions implemented by the various references are in contradiction to the functions implemented by Appellant's claimed structure. One such example is the Examiner's rejection of Appellant's claim 9, recited in pertinent part:

Chain Store Age ... discloses: ...

a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired [sic] (page 2 column 1, lines 3-10 and lines 41-48); ...

While Chain Store Age discloses the collection of SKU numbers, which can be specific to the merchant and in the case of a store brand and therefore identified with the merchant, just as the bride can scan a generic code, (page 2, column 1, lines 41-49), Chain Store Age does not specifically disclose the unique identifier associated with the particular merchant having each of the desired gifts.

Brumback et al teaches a system that provides customers with gift suggestions from several stores in the mall, see page 4, lines 9-13 for the benefit of increased customer satisfaction and convenience.

Therefore, it would have been obvious to one of ordinary skill in the art, at the time the invention was made to modify the invention of Chain Store Age, if necessary, to store and display gift suggestions associated with different merchants, as taught by Brumback et al for the benefit if increased customer satisfaction and convenience.

In summary, the Examiner has used a "cut and paste" of these disclosures without regard to the functions taught by the cited references and the functions of the structure recited in Appellant's claims, such as claim 9 as discussed herein. In particular, the Chain Store Age publication teaches a store-centric gift registry and teaches away from intra-merchant use of the system, while the Brumback Publication teaches only a virtual mall and fails to disclose any teaching of a gift registry system. Therefore, the Examiner has misapplied the obviousness rejection standards as articulated by the U.S. Supreme Court in the KSR decision and, therefore, has failed to establish a prima facie case for obviousness of claim 9 under 35 USC 103(a). Appellant respectfully maintains that claim 9 is allowable under 35 USC 103(a) both over the cited references and also since it depends on an allowable base claim.

Appellant submits that the 35 U.S.C. §103(a) rejections of claims 9 – 14 set forth in the Final Office Action dated 09 July 2008 fail to set forth a prima facie showing of obviousness because:

- (1) the Examiner has failed to cite and apply references which contain all of the claimed elements or limitations of Appellant's claimed invention, and
- (2) the Examiner has not shown where the prior art, the nature of the problem to be solved, or the knowledge of those skilled in the art provide any motivation or suggestion to combine elements in the prior art relied upon by the Examiner to render the claimed invention obvious, and instead has relied upon hindsight to attempt to piecemeal reconstruct Appellant's claimed invention from the prior art.

None of the prior art relied upon by the Examiner in the rejection of claims 9 – 14 contains the following elements or limitations recited in Appellant's independent claims:

- 1.) a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired gift is from, wherein the input and storage device stores a unique identifier for the particular merchant each desired gift is from;
- 2.) a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from.

Furthermore, the MPEP and case law have established a need to show a motivation to combine the references in a 35 U.S.C. §103 obviousness rejection. The Examiner has failed to provide any factual basis for his suggested combination and admits that Chain Store Age fails to show or suggest a multi-merchant gift registry system, since this system is exclusively "bricks and mortar" store-centric. The Examiner also fails to show where the Brumback Publication teaches any form of gift registry that operates uniformly across multiple merchants, since this system is only a virtual mall, but simply notes that the modification of both references in a manner as taught exclusively by Appellant would produce a system that has improved performance "for the benefit of increased customer satisfaction and convenience." In fact, the combination suggested by the Examiner is contrary to the teachings of both references; and the Examiner has failed to provide any explanation of how this combination could be accomplished, and has simply provided the superfluous and meaningless statement "for the benefit of increased

customer satisfaction and convenience” which provides no tangible explanation to support the obviousness rejection. Therefore, the basis for this combination is impermissible hindsight engineering, since the Examiner has failed in the “Patent Office has the initial duty of supplying the factual basis for its rejection”:

A rejection based on §103 clearly must rest on a factual basis, without hindsight reconstruction of Applicant's system of the prior art. In making this evaluation, all the facts must be considered. The Patent Office has the initial duty of supplying the factual basis for its rejection. It may not because it may doubt that the invention is patentable resort to speculation, unfounded assumptions or hindsight reconstruction to supply its factual basis. *In re Warner*, 154 USPQ 173 (CCPA 1967).

Therefore, Appellant believes that claims 9 – 14 are allowable under 35 U.S.C. §103(a) over the cited Chain Store Age Publication and the Brumback Publication, since neither of these references show or suggest Appellant's claimed “a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired gift is from, wherein the input and storage device stores a unique identifier for the particular merchant each desired gift is from” or Appellant's claimed “a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from.”

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V. Summary

Appellant believes that claims 9 – 14 are allowable under 35 U.S.C. §103(a) over the cited references for the reasons articulated above.

In view of the above remarks, Appellant believes the pending application is in condition for allowance. If the Examiner fails to concur, the undersigned respectfully requests that the Examiner detail such disagreement with specificity to provide clear issues for appeal. The payment for the Appeal Brief fee is attached to this paper. If any additional fee is due, please charge our Deposit Account No. 50-1848, under Order No. 013212.0137R1US from which the undersigned is authorized to draw.

Respectfully submitted,
PATTON BOGGS LLP

Dated: March 5, 2009

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8.) CLAIMS APPENDIX

Claims 1 – 8 (Canceled)

9. (Previously presented) A system for registering items selected by a registrant from a plurality of participating merchants for subsequent communication to a prospective purchaser, the system comprising:

a gift registry computer system containing identifying information about a registrant, the information for each registrant including at least the registrant's name and a list of potential gifts which the registrant has identified;

a portable input and storage device for use by the registrant with a plurality of participating merchants, the input and storage device being capable of receiving and storing information regarding the registrant's desired gifts including the merchant each desired gift is from, wherein the input and storage device stores a unique identifier for the particular merchant each desired gift is from;

a transfer device connected to the gift registry computer system that receives the information regarding the registrant's desired gifts from the portable input and storage device and transfers the information to the gift registry computer system; and

a prospective purchaser interface device that allows a prospective purchaser to view a list of the goods desired by the registrant wherein the list includes information about the particular merchant each gift is from.

10. (Original) The gift registry as in claim 9 wherein the portable device is a hand held scanning device.

11. (Original) The gift registry as in claim 9 wherein the unique identifier is in the form of a digitally encoded value embodied in a bar code.

12. (Original) The gift registry as in claim 9 further comprising updating means for updating the database storage system as a prospective purchaser buys a gift from the list of potential gifts for a particular registrant.

13. (Original) A method of operating a gift registry system capable of registering items selected by a registrant from a plurality of participating merchants in a shopping area as possible gifts for the registrant for subsequent communication to a prospective purchaser for possible purchase as gifts for the registrant, the system having a computer system, a portable input and storage device, a transfer device and a prospective purchaser interface device, the method comprising the steps of:

receiving identifying information about a registrant at the computer system;

using the portable input and storage device to select desired gifts from a plurality of participating merchants;

using the portable input and storage device to enter a unique identifier for each participating merchant, such that each gift chosen by the registrant will be identified as being from a certain merchant;

transferring the information received and stored by the portable input and storage device into the computer system via the transfer device; and

interfacing with a prospective purchaser such that the prospective purchaser can view a list of the gifts desired by the registrant and the particular merchants the gifts are from.

14. (Original) The method as in claim 13 further including the step of updating the information stored in the computer system to reflect gifts that have been purchased for a particular registrant.

Claims 15 – 29 (Canceled)

9.) EVIDENCE APPENDIX

None

10.) RELATED PROCEEDINGS APPENDIX

None